VANUE

Approved For Release : CIA-RDP78-01617A0003002600017-6 4/8 7

TOP SECRET

CENTRAL INTELLIGENCE AGENCY

21 February 1949

INTELLIGENCE MEMORANDUM NO. 125

SUBJECT: CIA Comments on JIG Estimate for War Plan for an Emergency Occurring in 1952-53.

A. General.

CIA agrees in general on the estimate in question, but questions the adequacy of the paper as the basis for a plan of action. It appears to be superficial and of limited value. No general criticism of this sort is valid, however, without a clear picture of the relation of this draft to the total Plan, which CIA does not have. On the other hand, if this estimate is the political, economic, and psychological ground upon which the Plan is based, CIA feels that expansion of the estimate is in order.

The omission from this draft of any reference to Soviet military preparedness, including consideration of new and unconventional weapons, is assumed to be intentional, with that material reserved for detailed consideration in a military section.

B. Specific Comments.

1. Political.

CIA disagrees with the observation (p.1, line 5) on the "The political and economic viewpoint held by the majority of the nations of the world, headed by the United States." In our opinion, while it is true that, for various reasons, most of the world is aligned with the US against the USSR, the majority of the nations do not share the political and economic viewpoint of the US. Certainly the economic position of the US is unique, and in this lies one of the dangerous aspects of its political situation.

We feel that a further danger derives from the consistently positive Soviet approach to its ultimate objective, giving the USSR the initiative in most situations.

Document No	
NO CHANGE in Class.	
M DECLASSIFIED	
Class. CHANGED TO: TS S C	
DDA Memo, 4 Apr 77 TOP SECRET	
Auth: DDA RIG Approved For Release : CIA-RDP78-01617A000300260001	-6
Date: 15/11/7 By: 01/	

FOR SECRET

CIA feels that the estimate (p. 1, line 15) that "The USSR will make every attempt to avoid war" is overstated. While the USSR will seek to avoid war (and this is the important point), there apparently is a limit beyond which it is unwilling to go. This Soviet attitude is due, we feel, not to the need for revitalizing Soviet war potential, already very real, but for developing it further.

CIA feels also that the paper would be strengthened by stating that the increased Soviet exploitation of western "colonialism" in the Far East is one of its strongest weapons, capable, through its direct and indirect effects, of seriously weakening the world position of the US and the other Western Powers.

To the enumeration (p.1, line 34) of the factors producing a continuing danger that war will break out, we suggest the addition of these:

- (1) Possible US misinterpretation of a Soviet tactical manoeuvre in the current political, economic, and psychological war;
- (2) The ever-present danger of an incident precipitating hostilities.

The significance of the final paragraph (p.2, line 2) would be enhanced, in our opinion, by its insertion between the first and second paragraphs of this section.

2. Economic.

s. Soviet and Satellites.

General: The omission of any reference to the fuels and petroleum position of the USSR and the Satellites, unless elsewhere covered, is considered a serious lack in this estimate.

Specific Comments.

(1) Industrial development.

CIA believes that the following restatement of the first sentence (p.3, line 4) would be more accurate: "The present emphasis on the development of heavy industry and the concurrent expansion in capacity for armament manufacture is expected to be continued under the new economic plan to be initiated in January 1951."

TOP SECRET

On page 3, line 9, respecting the fact that "the capacity of the Soviet transportation system will continue to be a brake" on industrial development, CIA suggests that the following two factors (both mentioned in the draft estimate) are of far greater significance in slowing down Soviet industrial development: (1) inadequate number of technically skilled personnel, and (2) shortages of precision instruments, industrial equipment, and high-production precision machine tools and facilities for producing them. CIA also suggests that the transportation system will expand at about the same rate as the whole industrial complex, leaving unchanged the present relative stringency in transportation.

CIA feels that other Satellites besides Poland and Czechoslovakia will be able to make significant contributions to the Soviet war effort. It is not clear to CIA what is meant (p.3, line 20) by the "degree of economic assistance" Satellites can render to the USSR, or how this will depend primarily upon Soviet actions. This point could be clarified in part by substituting "The amount and type...." for "This degree."

(2) Industrial Manpower.

CIA suggests that shortages of industrial "know-how" (the managerial factor) and of competent engineers might be included as a highly important factor.

(3) Dependence on Foreign Sources of Key Commodities.

CIA estimates that the USSR will not be deficient in natural rubber in 1952 because of a stockpiling program, the continuance of which may be assumed. In lead, sinc, and copper, the presence of absence of Yugoslavia in the Soviet orbit will be significant. CIA suggests the addition of high-grade gasoline and high quality machinery components to the list of deficiencies.

(4) Transport Capabilities.

General: CIA observes that while the difficulties mentioned in the draft estimate as besetting Soviet transport would be magnified many times during a war, inadequacy is an inaccurate generalization when applied to Soviet inland transportation as a whole; we feel that the impact of this factor upon the economy has been over-emphasized in this paper.

FOR SECRET

Specific Comments.

- (a) Railroads. CIA believes that the weekness of the Soviet rail system lies not so much in inadequacy as in a lack of reserve capacity in the system. CIA makes this distinction on the basis of: (1) present rail capacity (practically as much traffic in ton-miles as in 1939), (2) probable construction before 1952, and (3) performance records during 1941-1945. On the other hand, CIA recognises the likelihood of serious local transportation difficulties at the outset of hostilities, as, for example, in the Maritime Provinces or other regions on the Soviet perimeter. Even though locamotives and freight cars will continue in short supply, CIA believes that, through more intensive utilization of all inland transportation facilities, the railway system will continue adequately to serve the essential traffic requirements of an expanding economy. We feel that despite the importance of guage difference in the westward movement of traffic, greater transchipment facilities and a more extensive application of labor could considerably mitigate this weakness.
- (c) Civil Air Transport. CIA believes the case is understated, and that by 1952 the USSR will have a formidable civil flect.
- (f) <u>Strategic Significance of Communications</u>. CTA suggests that the virtual lack of a significant Soviet merchant marine should be mentioned as a critical strategic weakness in a war against a non-continental power.
- (5) Conclusions of Strategic Significance. CIA suggests a more specific enumeration of deficiencies, including these items which we list in order of importance: machinery, skilled manpower, high-grade gasoline and lubricants, transportation, certain ferro-alloys and non-ferro metals, certain types of finished steel, industrial diamonds. CIA also suggests a clarification of the term "objectives" in the final sentence of this sub-section (p. 5 line 13). The scope of these objectives, whether Eurasian or worldwide in extent, will largely govern the evaluation of Soviet war potentialities.

b. Allied Nations.

General: CIA suggests a clear statement of the assumptions underlying this section, as to (a) states in the US camp, and (b) the length of time after the onset of hostilities that the resources and productive capacities of l'estern Europe would be available to the West. CIA suggests further that a detailed listing of essential commodities which would be in short supply would be far more useful than a review of those which would be adequate.

JOP SECRET

Specific Comments.

CIA feels that "self sufficiency" (p. 5, lines 17,22) is an inaccurate concept which should be replaced by "access to adequate supplies:" This concept would include the movement of goods among the allies.

CIA questions the possibility of any country under conditions of war being able to maintain a balanced economy (p. 6, line 7). The reference only to France and the Benelux countries in this connection appears to CIA to be too limited; it is suggested that the UK and other countries of Western Europe be added to this grouping.

CIA believes that, on the basis of tankers already under construction or on order, representing an augmentation of 20 percent, the situation of the allies will not be as critical as the estimate (p, 5, line 25) implies; however, this remains a contingent weakness.

3. Pavehological.

CIA has a number of specific comments on this section.

CIA suggests the deletion of the word "any" (p. 7, line 8) as being too positive a qualification.

We feel that the concept of weakness due to pervading fear (p. 7, line 15), would be strengthened by stating it thus: "the inflexibility of action resulting from the pervading fear...."

CIA suggests that the potential character of Soviet weaknesses (p. 7, line 23) would be pointed up by the use of the words "though actual, can not be initially exploited by the West."

CIA feels that the possibility of truly <u>effective</u> psychological warfare should be considered (p. 8, line 2) in assessing psychological weaknesses in the Soviet and Satellite structure.

The parenthetical phrase "(from the West)" (p. 8, line 4) suggests a canalization of attack which we do not believe is intended; we suggest "by the West."

CIA suggests the reinsertion of the word "further" on (p. 8, line 5).

JOP SECRET

is too summary to be of value, and suggests more specifically that special reference be made, for example, to the Far East, where susceptibility to Communist blandishments is particularly evident among those seeking national independence. CIA also suggests a word of caution with reference to p. 8, line 17: that there is a material lag between the implementation of economic and political improvements and the development of a significant will to resist.